

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-1      Please provide the name(s) of the persons responsible for answering each of the Information Requests in the Attorney General's first, second, and third sets of discovery in this proceeding.

Response:

Ms. Lee Smith is the witness responsible for each Information Request in the AG's three sets of discovery.

AG-3-3      Referring to the Company's response to Information Request AG-1-12, please provide the test year depreciation accrual rate and depreciation expense by plant account using those plant accounts that appear on pages 17 and 18 of the Company's Year 2000 Annual Return to the Department.

Response:

See Attachment AG 3-3.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-4      Please provide a Year 2000 balance sheet and income statement for each of the Company's affiliates including "Sales and Service." Please also provide a complete and detailed description of the products and services provided by each of the affiliates.

Response:

See attachment AG 3-4.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-5      Please indicate the number of full time employees of each of the Company's affiliates.

Response.

Two.

AG-3-6      Referring to the Company's response to Information Request AG-1-15, please provide the calculation of the allocation formula used to allocate each of the expenses indicated on that page. Please also provide all assumptions and supporting documentation.

Response:

See attachment AG 3-6.

AG-3-7      Please reconcile the Company's response to Information Request AG-1-27 that there are no loans outstanding to Company shareholders during the test year with the indication on line 7, column (d), page 4 of the Company's year 2000 Federal Income Tax Form that there were \$15, 714. Please also provide for the loan indicated in the Tax Form, the loan agreement and indicate the person(s) to whom the loan was made, and all other relevant terms of the loan.

Reponse:

The Company made a short-term loan of \$15,714 to James Wojcik, by paying a premium on a personal life insurance policy. Mr. Wojcik will repay this loan before the end of this year, with interest at the prime rate.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-8      Please itemize and quantify each of the costs of the Account 367 – Mains additions during the test year (e.g. pipe, other materials and supplies, employee wages, employee benefits, payroll taxes, outside services, police traffic services).

Response:

See Attachment AG 3-8.

AG-3-9      Referring to the Company's response to Information Request AG-1-28, please provide a complete and detailed description of the reason(s) for the large decrease in the percent of wages capitalized between the period 1996 through 1998 and period 1999 through 2000.

Response:

In 1999 and 2000 the Company utilized more outside contractors to install new plant, rather than hiring additional personnel. The result is that fewer hours of direct company wages needed to be capitalized.



**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-10      Referring to the Company's response to Information Request AG-1-32, please indicate the number of employees at year-end 2000 that were part time.

Response:

There were none at year-end 2000.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-11      Referring to the Company's response to Information Request AG-1-34, please provide the amount of IRA benefit for each of the Company's employees that was expensed during the test year.

Response:

See attachment AG 3-11.

AG-3-12      Referring to the Company's response to Information Request AG-1-45, please provide for each insurance policy (1) the name of the provider; (2) the type of coverage being provided; and (3) the total cost for the test year.

Response:

The name of the provider is on the provided bills.

Additional insurance information is attachment AG 3-12.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-14      Referring to the Company's response to Information Request AG-1-54, please indicate whether the Company has recovered any of the write-offs from the five customers indicated for the year 2000.

Response:

Account #504526 (Union House) paid \$600 on July 20, 2001.

AG-3-15      Referring to the Company's response to Information Request AG-1-57, please reconcile the \$909 amount of advertising and media-related costs indicate in the response with the \$14,336 amount shown on line 23, page 1 of the Company's year 2000 Federal Income Tax form.

Response:

AG-1-57 is in error. The correct amount for the Gas Company, as reported in the cost of service study (account 912) was \$2, 963. Also included in the Income Tax return is the amount of \$11,373 for the Sales and Service company. See attachment AG 3-15 for detail on gas company advertising and income tax expense.

**Response to AG's  
Third Set of Information Requests  
Witness Responsible: Lee Smith**

**Blackstone Gas  
DTE 01-50**

AG-3-16      Referring to the Company's response to Information Request AG-1-58, please reconcile the \$0 amount of charitable contributions indicate in the response with the \$1,315 amount indicated in Statements 3 and 4 of the Company's year 2000 Federal Income Tax form.

Response:

The Gas Company's charitable contributions were \$0. See attachment AG 3-16.